

Division of Medicaid Declares “Partnership” Funding Illegal, Will Pursue Legal Action

***Division of Medicaid: “Health care for Medicaid recipients
is more important than advertising”***

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(Jackson, Miss.) The Division of Medicaid today announced it will be authorizing legal action declaring that the public funding of the “Partnership for a Healthy Mississippi,” a private organization, is unconstitutional and illegal under state law. The Division will challenge a court order in the Jackson County Chancery Court where the “Partnership” was created.

Mississippi Division of Medicaid Executive Director Dr. Warren Jones said that the “Partnership” anti-tobacco goal is a noble one. However, he added: “Health care for Medicaid recipients is more important than advertising. The Legislature has the sole authority to appropriate all state dollars, and should be able to direct ‘Partnership’ funds to the benefit of the one out of every four Mississippians who are enrolled in our Medicaid program,” said Jones. “The tobacco settlement was about health care and there is no more important health care issue in the State of Mississippi than the life-saving drugs and treatments Mississippi Medicaid provides 780,000 Mississippians.”

During the regular board meeting today of the Health Care Trust Fund Board, established to manage the annual payments to the State from tobacco companies, board members voted that they would be seeking similar legal action to determine the legality of the “Partnership” funding.

The “Partnership for a Healthy Mississippi” received \$60 million in state funds for a two-year “youth tobacco cessation pilot program” after the original 1997 Tobacco Master Settlement Agreement with the nation’s major tobacco companies was reached. It was later expanded to an additional \$20 million per year. The Division of Medicaid noted in its announcement today that Mississippi’s constitution only gives the Legislature the power to appropriate state dollars – not courts.

Dr. Jones said that persistent questions concerning the legality of the funding of the “Partnership” were strong enough to warrant legal action. He cited a November 2003 Joint Legislative PEER (Performance Evaluation and Expenditure Review) Committee report that concluded that “the order (to fund the ‘Partnership’) is not in compliance with state law” and is “unconstitutional.” He applauded the similar actions taken by Health Care Trust Fund today and noted that the 2003 PEER Report recommends that “...the Health Care Trust Fund employ counsel as necessary to pursue any civil action necessary to either set aside the order or proceed against any person or persons who may have violated their fiduciary duty to the trust...”

“I commend the Health Care Trust Fund for also taking this responsible action. Correcting the seemingly unconstitutional and illegal funding of the ‘Partnership’ will be a win-win for Mississippi,” said Jones.

“Mississippi’s needy will get more health care dollars, including three-to-one matching funds from the federal government, and the Legislature can continue the anti-tobacco work of the ‘Partnership’ through health care partnerships already in place across the state.”

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